

Feb 13, 1953

MEMORANDUM TO: Mr. Peel

SUBJECT : Follow-up Report on Survey of O&M dated 3 April 1953

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1. Mission, Authority and Functions. Assuming that the clarification mentioned in the Study refers to the functional statement under the heading "Comptroller" in [REDACTED] Section 13 m, n, o, p, and q, I would say they are sufficient for inclusion in the Regulations. I don't believe there is any "authority" contained in this regulation or in any other form. Probably we should have some delegated authority for the approval of organizational changes, in accordance with our discussions on the recently proposed regulation on T/Os.
 2. Internal Organization. The area management officer concept has certainly increased the effectiveness of O&M. Agency personnel have come to know where to go for O&M support and continuity of each officer's operations aid greatly in giving effective support.
 3. Management Board. I do not believe the Board has served its purpose to the full extent possible. In particular, the matter of keeping advised of activities and projects throughout the shop has been less productive of results than we had hoped. Probably security considerations prevent better results.

With respect to the Board's activity with respect to approval of projects, I think that as our activities have developed, we have found this to be unnecessary.

My feeling with respect to the Board is that it is not normally found in government at this level and is not understood outside our own office. I believe it could be dropped and all necessary purposes

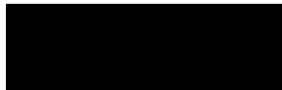
served by a weekly staff meeting.

4. Management Brochure. Suggest no action.
5. Intern Plan. Because of the ability of the one intern assigned to the DD/A area, the results were most satisfactory. It is doubted that we can use as many interns as was originally proposed for the reason that the type of work for which they are suited may not always be available. I would not push this plan.
6. Advice and Assistance. Believe O&M can serve effectively under this concept but also that even more effective service would result if there were control activities in the office. See answer to question 8.
7. Customer Relations. There has been considerable improvement in customer relations since the survey.
8. Control Activities. In my opinion the following control activities should be in O&M for the reasons stated.
 - a. Forms. This is considered an essential element of procedures work; however it must be a control rather than a design service. Forms should not be designed and installed without considering the procedural aspects.
 - b. Regulations Control. Coordination of proposed regulations is an O&M type function. Problems arising have to do with functions, delegation of authority, policies, procedures, etc., all of which are of concern to O&M.
 - c. Organizational (T/O) Control. This is an obvious need. Under the present system a great deal of organizational work is done before anything comes to O&M. It would be nice to be able to accomplish this without the routine record keeping work but the only way to be sure of seeing what we need is to adopt a system requiring that the papers flow through this office.

- d. Records Management. The most effective means of records management is through control of forms and procedures. Since both of these are usually considered O&M type work, it is believed that records management might best be accomplished in O&M.
9. Organizational Location. Two comments seem appropriate in this connection.
 - a. O&M is presently located in the Office of the Comptroller and has been for slightly more than one year. Obviously, when this change was made some advantage was expected to accrue. While I am not personally familiar with the basis for the change, I assume it was expected that a closer organizational relationship with the work of the Budget Division, Program Analysis Staff, and the Technical Accounting Staff would result in an O&M program based on current and important needs of the Agency. However, from my observations, no working relationship with elements of the Comptroller's Office has resulted, and until an attempt to develop such a relationship is made, it will not be possible to intelligently evaluate the present organizational location of O&M.
 - b. My experience and observation of usual practice in the civil agencies of the Federal Government with respect to the organizational location of the O&M activity is that it is usually established as a staff under the direction of the top administrative officer. In this agency this would mean the establishment of O&M as a staff of the DD/A. The advantages of such an organizational location are obvious. O&M is basically an administrative function which, to be most effective, must be performed on an

the support activities such as personnel, accounting, supply, etc., and also the administrative or managerial, not technical, aspects of program matters.

10. Name. Recommend change to "Management Staff".
11. Other Comments. None.

A handwritten signature in ink, appearing to be 'L. A.', is written above a black redaction box.

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